

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:80
ANSWERED ON:26.02.2001
INVESTMENT IN CIVIL AVIATION SECTOR
ANANTRAO GUDHE

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government have reviewed the investment (both in public and private sectors) made in the civil aviation sector during the last three years;
- (b) if so, the details thereof;
- (c) the funds required for execution of approved development plans and the resources mobilised so far;
- (d) the details of packages of incentives finalised/under consideration to attract the required private/foreign direct investment in this sector; and
- (e) the details of major projects proposed to be taken/completed during next Plan period in the country.

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a),(b),(c),(d) and (e):- A statement is laid on the table of the Sabha.

STATEMENT LAID IN REPLY TO LOK SABHA STARRED QUESTION NO. 80 FOR 26.2.2001. REG.' INVESTMENT IN AVIATION SECTOR'.

(a):- In the Civil Aviation Sector, review of investment is a continuous process.

(b) and (c):- A Statement indicating the plan outlays for the last 3 years in respect of various organisations under the Ministry of Civil Aviation is at Annexure-I

(d) and (e):- The following initiatives have been taken to attract private/foreign investment in the civil aviation sector -

(i) Disinvestment of 60% of the government held equity in Air India, out of which 40% to be sold to a strategic partner. Upto 26% of the total equity can be availed of by the foreign investors which could also be a foreign airline.

(ii) Disinvestment of 51% of government equity in Indian Airlines of which 26% to be offered to a strategic partner and the rest 25% to employees, financial institutions and the public.

(iii) 100% disinvestment of equity held by Air-India in Hotel Corporation of India through the mode of sale.

(iv) Development of four major international airports viz. Delhi, Mumbai, Kolkatta and Chennai to international standards through long-term leasing to private investors.

The following initiatives have been taken-up /being taken up for overall development of the Civil Aviation Sector -

(i) Construction of new international airports at Bangalore, Hyderabad and Goa with private sector participation.

(ii) Declaration of seven domestic airports viz. Bangalore, Hyderabad, Ahmedabad, Goa, Amritsar, Guwahati and Cochin as International Airports.

(iii) Implementation of Satellite based CNS-ATM system for safe and regular operation of civilian aircraft.

(iv) Constitution of the proposed Autonomous Economic Regulatory Authority called Civil Aviation Economic Regulatory Authority (CAERA).

(v) Acquisition of 35-40 aircraft by Indian Airlines for its long-term requirements.

Annexure I

MINISTRY OF CIVIL AVIATION
(Rs. in crore)

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S. No.	Organisation	Ninth Annual Plan - 1999-2000	Annual Plan 1997-98	Annual Plan 1998-99	Annual Plan 1999-2000	Annual Plan 1997-98	Annual Plan 1998-99	Annual Plan 1999-2000	Revised
		Approved Actual 1997-2002 Outlay	Approved Actual 1997-2002 Outlay	Approved Actual 1997-2002 Outlay	Approved Actual 1997-2002 Outlay	Approved Actual 1997-2002 Outlay	Approved Actual 1997-2002 Outlay	Approved Actual 1997-2002 Outlay	Approved Actual 1997-2002 Outlay
		Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure
		1997-2002 Outlay	1997-2002 Outlay	1997-2002 Outlay	1997-2002 Outlay	1997-2002 Outlay	1997-2002 Outlay	1997-2002 Outlay	1997-2002 Outlay
		Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure
1.	Air India Ltd.	3664.00	1233.45	517.75	602.53	550.01	433.46	383.09	3652.52
		(0.00)	(5.00)	(0.00)	(0.01)	(0.00)	(1000.01)		
2.	Indian Airlines Ltd.	3640.75	470.00	441.90	630.00	522.03	540.01	492.27	3731.11
		(125.00)	(125.00)	(0.00)	(0.01)	(0.00)	(325.01)		
3.	Airports Authority of India	3421.87	609.15	338.58	800.43	319.87	697.93	360.63	3174.02
		(283.37)	(35.74)	(10.00)	(68.17)	(25.00)	(41.00)	(25.00)	(551.69)
4.	PHHL	209.20	87.25	26.85	90.00	5.55	101.55	1.21	200.70
5.	DGCA	27.00	3.77	1.07	4.45	3.38	4.40	3.47	23.42
		(27.00)	(3.77)	(1.07)	(4.45)	(3.38)	(4.40)	(3.47)	(23.42)
6.	BCAS	25.00	2.50	0.01	3.00	2.35	3.58	2.62	22.13
		(25.00)	(2.50)	(0.01)	(3.00)	(2.35)	(3.58)	(2.62)	(22.13)
7.	IGRUA	35.00	14.73	10.00	12.94	11.00	6.00	6.00	35.00
		(35.00)	(14.73)	(10.00)	(12.94)	(11.00)	(6.00)	(6.00)	(35.00)
8.	HCI	89.55	50.00	8.52	42.40	10.19	20.00	13.37	85.13
Total		11112.37	2470.85	1344.68	2185.75	1424.38	1806.93	1262.66	10924.03
		(495.37)	(56.74)	(21.08)	(218.56)	(41.73)	(55.00)	(37.09)	(1957.26)

(Figures in brackets indicate budgetary support)